

**STATE OF SOUTH CAROLINA
BEFORE THE PUBLIC SERVICE COMMISSION
DOCKET NO. 2011-271-E**

In the Matter of:)
)
Application of Duke Energy Carolinas, LLC)
for Authority to Adjust and Increase)
Its Electric Rates and Charges)
)

DIRECT TESTIMONY OF STEVE W. CHRISS

ON BEHALF OF

WAL-MART STORES EAST, LP AND SAM'S EAST, INC.

Dated: November 14, 2011

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND**
2 **OCCUPATION.**

3 A. My name is Steve W. Chriss. My business address is 2001 SE 10th St.,
4 Bentonville, AR 72716-0550. My title is Senior Manager, Energy
5 Regulatory Analysis, for Wal-Mart Stores, Inc.

6 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?**

7 A. I am testifying on behalf of Wal-Mart Stores East, LP, and Sam's East, Inc.
8 (collectively "Walmart").

9 **Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.**

10 A. In 2001, I completed a Masters of Science in Agricultural Economics at
11 Louisiana State University. From 2001 to 2003, I was an Analyst and later
12 a Senior Analyst at the Houston office of Econ One Research, Inc., a Los
13 Angeles-based consulting firm. My duties included research and analysis
14 on domestic and international energy and regulatory issues. From 2003 to
15 2007, I was an Economist and later a Senior Utility Analyst at the Public
16 Utility Commission of Oregon in Salem, Oregon. My duties included
17 appearing as a witness for PUC Staff in electric, natural gas, and
18 telecommunications dockets. I joined the energy department at Walmart
19 in July 2007 as Manager, State Rate Proceedings, and was promoted to
20 my current position in June 2011. My Witness Qualifications Statement is
21 found on Exhibit SWC-1.

1 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**
2 **SOUTH CAROLINA PUBLIC SERVICE COMMISSION (“THE**
3 **COMMISSION”)?**

4 A. Yes. I testified in dockets 2008-251-E and 2009-489-E.

5 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE OTHER**
6 **STATE REGULATORY COMMISSIONS?**

7 A. Yes. I have submitted testimony in over 50 proceedings before 27 other
8 utility regulatory commissions and a legislative committee in Missouri. My
9 testimony has addressed topics including cost of service and rate design,
10 ratemaking policy, qualifying facility rates, telecommunications
11 deregulation, resource certification, energy efficiency/demand side
12 management, fuel cost adjustment mechanisms, decoupling, and the
13 collection of cash earnings on construction work in progress.

14 **Q. HAVE YOU PREPARED EXHIBITS?**

15 A. Yes, I have prepared Exhibit SWC-1, consisting of six pages, Exhibit
16 SWC-2, consisting of one page, and Exhibit SWC-3, consisting of one
17 page.

18 **Q. WHAT IMPACT DOES WALMART HAVE ON THE SOUTH CAROLINA**
19 **ECONOMY?**

20 A. Walmart has a significant positive impact on the South Carolina economy.
21 As of July, 2011, Walmart has 88 facilities and over 27,000 associates in
22 South Carolina. Additionally, in fiscal year ending 2011, Walmart spent

1 over \$1.4 billion for merchandise and services with 709 suppliers in South
2 Carolina, supporting over 32,000 supplier jobs in the state.¹

3 **Q. GENERALLY WHY IS WALMART CONCERNED THE PROPOSED**
4 **RATE INCREASE OF DUKE ENERGY CAROLINAS, LLC ("DEC" OR**
5 **"THE COMPANY")?**

6 A. Electricity represents a significant portion of our operating costs. When
7 rates increase, that increase in cost to retailers puts pressure on
8 consumer prices and on the other expenses required by a business to
9 operate. Rate increases also directly impact retailers' customers, who are
10 DEC's residential and small business customers. Given current economic
11 conditions, a rate increase is a serious concern for retailers and their
12 customers and the Commission should consider these impacts thoroughly
13 and carefully in ensuring that any increase in DEC's rates is only the
14 minimum amount necessary for the utility to provide adequate and reliable
15 service.

16 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

17 A. The purpose of my testimony is to address aspects of the Company's
18 proposed revenue requirement and revenue allocation, responding
19 specifically to the testimonies of Jeffrey R. Bailey, Catherine E. Heigel,
20 Robert B. Hevert, and Carol E. Shrum.

¹ See <http://walmartstores.com/pressroom/StateByState/State.aspx?st=SC>.

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Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.

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A. My recommendations to the Commission are as follows:

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1) The Commission should, at a minimum, reject DEC's request to increase customer rates through the inclusion of approximately \$510 Million of construction work in progress ("CWIP") for new electric plant in rate base.

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2) If the Commission determines it necessary to include any CWIP in rate base, including the amount approved in the last rate case, it should

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determine that the shift of risk from the Company to ratepayers through

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the inclusion of CWIP be reflected in the ROE approved in this docket,

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such that as the level of CWIP is increased, ROE is accordingly reduced.

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3) DEC should provide an explanation as to the swing in the relative rates of return index value for Schedule OPT ("OPT") and the Commission should examine this explanation in their determination of an appropriate revenue allocation in this docket.

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The fact that an issue is not addressed should not be construed as an endorsement of any filed position.

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Q. WHAT REVENUE REQUIREMENT INCREASE HAS THE COMPANY PROPOSED IN ITS FILING?

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A. The Company has proposed a total revenue requirement increase of approximately \$216 million. Of the \$216 million, approximately \$132

21

1 million is related to an increase in the Company's operating income. See
2 Shrum Exhibit 1, page 1.

3 **Q. WHAT IS YOUR UNDERSTANDING OF THE COMPANY'S OPERATING**
4 **INCOME BEFORE THE PROPOSED INCREASE?**

5 A. My understanding is that the Company's operating income before the
6 proposed increase is approximately \$221 million. *Id.*

7 **Q. WHAT PERCENT INCREASE IN OPERATING INCOME IS THE**
8 **COMPANY REQUESTING?**

9 A. The Company is requesting a 60 percent increase in its operating income.
10 See Exhibit SWC-2.

11 **Q. WHAT IS THE COMPANY'S PROPOSED ROE IN THIS DOCKET?**

12 A. The Company is proposing a ROE of 11.5 percent. See Direct Testimony
13 of Robert B. Hevert, page 5, line 11 to line 12.

14 **Q. ARE YOU CONCERNED THAT THE PROPOSED INCREASE IN**
15 **OPERATING INCOME IS EXCESSIVE?**

16 A. Yes. I am concerned that the Company's proposed operating return
17 increase of 60 percent is excessive, especially given the current economic
18 conditions faced by the utility's customers. Additionally, I am concerned
19 that the Company's proposed ROE is higher than the ROE approved by
20 this Commission in the last DEC general rate case as well as when
21 viewed in the context the large amount of investment in new plant and
22 CWIP the Company is proposing to include in rates.

1 **Q. WHAT IS YOUR UNDERSTANDING OF THE AMOUNT OF**
2 **INVESTMENT IN NEW PLANT THE COMPANY IS PROPOSING TO**
3 **ADD TO RATE BASE?**

4 A. My understanding is that the Company is proposing to add approximately
5 \$866 million of new plant to rate base in this docket. See Exhibit SWC-3.

6 **Q. WHAT IS YOUR UNDERSTANDING OF THE AMOUNT OF CWIP THE**
7 **COMPANY IS PROPOSING TO INCLUDE IN RATE BASE?**

8 A. My understanding is that the Company is proposing to include
9 approximately \$752 million of CWIP, including approximately \$510 million
10 of CWIP for new electric plant, in rate base in this docket. See Direct
11 Testimony of Carol E. Shrum, page 17, line 11 to line 15 and Exhibit
12 SWC-3. The approximately \$510 million for new electric plant is equal to
13 the proposed increase over the amount of CWIP approved by the
14 Commission in DEC's last general rate case. *Id.*

15 **Q. IS THE INCLUSION OF CWIP IN RATE BASE OF CONCERN TO**
16 **WALMART?**

17 A. Yes. The inclusion of CWIP in rate base charges ratepayers for assets
18 that are not yet used and useful in the provision of electric service. Under
19 the Company's proposal, ratepayers would pay for the assets during a
20 period when they are not receiving benefits from those assets, so the
21 matching principle (*i.e.* customers bearing costs only when they are
22 receiving a benefit) is violated. In this case, DEC's customers would pay

1 for assets that do not provide service – i.e., assets that are not used and
2 useful – during that test year. The problem is compounded by changes in
3 the number of customers during the construction process. For example,
4 customers may pay for the assets during construction but leave the
5 system before they are operational, receiving no benefit from the assets
6 for which they helped pay.

7 **Q. IS THERE ANOTHER CONCERN WITH THE INCLUSION OF CWIP IN**
8 **RATE BASE THAT THE COMMISSION SHOULD CONSIDER?**

9 A. Yes. Including CWIP in rate base shifts the risks traditionally assumed by
10 investors, for which they are compensated through the rate of return
11 elements once the plant is in service, and instead places the risks
12 squarely on the shoulders of ratepayers with no offer of compensation.
13 Additionally, should the Company encounter problems during construction
14 of the plant resulting in stoppage of the construction, non-completion of
15 the project and/or substantial delay in the completion of the project,
16 consumers have no recourse for recovering the money they have paid for
17 the inclusion of CWIP in rate base.

18 **Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION ON THIS**
19 **ISSUE?**

20 A. The Commission should, at a minimum, reject DEC's request to increase
21 customer rates through the inclusion of approximately \$510 Million of
22 CWIP for new electric plant in rate base. If the Commission determines it

1 necessary to include any CWIP in rate base, including the amount
2 approved in the last rate case, it should determine that the shift of risk
3 from the Company to ratepayers through the inclusion of CWIP be
4 reflected in the ROE approved in this docket, such that as the level of
5 CWIP is increased, ROE is accordingly reduced.

6 **Q. DO YOU HAVE ANY ADDITIONAL COMMENTS REGARDING THE**
7 **COMPANY'S ROE?**

8 A. Yes. In North Carolina Dockets E-2, Sub 998 and E-7, Sub 986, Duke
9 Energy Chief Financial Officer Lynn J. Good testified under questioning by
10 the Commercial Group:

11 Q: In light of the benefits to the risk profile that you've identified,
12 does the combined Duke intend in regulatory proceedings to seek a
13 lower or higher ROE than it otherwise would if they were separate
14 companies?

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16 A: I think the request for ROE would be a part of the general rate
17 proceeding and I would say that the rate of return or the risk profile of
18 the combined company should be less than the risk profile of the
19 companies standalone for the financial strength that I justed [sic] talk
20 about but I think in terms of quantification of that and how that might be
21 evaluated relative to market conditions and peer analysis and other
22 things that would occur as a part of a general rate proceeding, I can't
23 opine on the amount or any quantification that that would represent.

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25 Q: And can you – I didn't ask you to opine to the amount but the
26 direction.

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28 A: I think all things being equal that the risk of the company
29 combined should be lesser than the companies separate.
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1 See North Carolina Docket E-2, Sub 998 and E-7, Sub 986, Hearing
2 Transcript Volume 2, page 87, line 22 to page 88, line 19.

3 While the proposed Duke Energy merger with Progress Energy did
4 not take place during the test year of this rate case and Walmart is not
5 advocating for any adjustments based on a merger that has not received
6 final approval at the time at which this testimony will be filed, the
7 Commission should note that if the merger is approved, the approved
8 rates from this docket will likely be in effect after the companies have been
9 combined.

10 **Q. WHAT IS YOUR UNDERSTANDING OF THE COMPANY'S PROPOSED**
11 **REVENUE ALLOCATION IN THIS DOCKET?**

12 A. My understanding is that the Company is proposing to allocate the rate
13 increase to the rate classes on the basis of their respective contribution to
14 rate base. See Direct Testimony of Jeffrey R. Bailey, page 8, line 22 to
15 line 23. Additionally, the Company is proposing to reduce the "subsidy /
16 excess" levels by 43 percent in order to bring all customer classes closer
17 to their respective costs of service. *Id.*, page 23, line 16 to line 18.

18 **Q. DO YOU HAVE A CONCERN WITH THE COMPANY'S PROPOSED**
19 **ALLOCATION?**

20 A. Yes. Given the results of the Company's cost of service study, the
21 proposed revenue allocation is not unreasonable. However, I am
22 concerned that for the test year, the Company shows that OPT is under-

1 recovering its cost of service, with a relative rate of return index value² of
2 0.93. This is in stark contrast to the historical rate of return indices
3 included in the Company's filing, which show that OPT has consistently
4 over-recovered its cost of service, with an index value that appears to be
5 almost 1.3 for 2009. See Bailey Exhibit 5, page 1. The filed index value in
6 this docket is also much lower than the index value of 1.09 in the 2009
7 general rate case. See Docket 2009-229-E, Bailey Exhibit 4, page 1. It
8 should also be noted that the index value from the 2009 rate case is
9 noticeably lower than the historical value from Bailey Exhibit 5 in this rate
10 case.

11 While it is normal for customer classes to see changes in their
12 relative rates of return, a wide swing for OPT in such a short period of time
13 is concerning.

14 **Q. HAS DEC PROVIDED AN EXPLANATION IN ITS FILING FOR THE**
15 **SUDDEN DROP IN THE OPT RELATIVE RATE OF RETURN?**

16 A. No. As such, DEC should provide an explanation as to the swing in the
17 relative rates of return index value for OPT and the Commission should
18 examine this explanation in their determination of an appropriate revenue
19 allocation in this docket.

20 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

21 A. Yes.

² Relative Rate of Return = Class Rate of Return / Total Retail Rate of Return

Steve W. Chriss

Senior Manager, Energy Regulatory Analysis

Wal-Mart Stores, Inc.

Business Address: 2001 SE 10th Street, Bentonville, AR, 72716-0550

Business Phone: (479) 204-1594

EXPERIENCE

July 2007 – Present

Wal-Mart Stores, Inc., Bentonville, AR

Senior Manager, Energy Regulatory Analysis (June 2011 – Present)

Manager, State Rate Proceedings (July 2007 – June 2011)

June 2003 – July 2007

Public Utility Commission of Oregon, Salem, OR

Senior Utility Analyst (February 2006 – July 2007)

Economist (June 2003 – February 2006)

January 2003 - May 2003

North Harris College, Houston, TX

Adjunct Instructor, Microeconomics

June 2001 - March 2003

Econ One Research, Inc., Houston, TX

Senior Analyst (October 2002 – March 2003)

Analyst (June 2001 – October 2002)

EDUCATION

2001 **Louisiana State University**

M.S., Agricultural Economics

1997-1998 **University of Florida**

Graduate Coursework, Agricultural Education
and Communication

1997 **Texas A&M University**

B.S., Agricultural Development

B.S., Horticulture

TESTIMONY

2011

Pennsylvania Public Utility Commission Docket No. P-2011-2256365: Petition of PPL Electric
Utilities Corporation for Approval to Implement Reconciliation Rider for Default Supply Service.

North Carolina Utilities Commission Docket No. E-7, Sub 989: In the Matter of Application of
Duke Energy Carolinas, LLC for Adjustment of Rates and Charges Applicable to Electric Service
in North Carolina.

Florida Public Service Commission Docket No. 110138: In Re: Petition for Increase in Rates by
Gulf Power Company.

Public Utilities Commission of Nevada Docket No. 11-06006: In the Matter of the Application of
Nevada Power Company, filed pursuant to NRS 704.110(3) for authority to increase its annual
revenue requirement for general rates charged to all classes of customers to recover the costs of
constructing the Harry Allen Combined Cycle plant and other generating, transmission, and
distribution plant additions, to reflect changes in the cost of capital, depreciation rates and cost of
service, and for relief properly related thereto.

Wal-Mart Stores East, LP and Sam's East, Inc.
Exhibit SWC-1
South Carolina Docket 2011-271-E

North Carolina Utilities Commission Docket Nos. E-2, Sub 998 and E-7, Sub 986: In the Matter of the Application of Duke Energy Corporation and Progress Energy, Inc., to Engage in a Business Combination Transaction and to Address Regulatory Conditions and Codes of Conduct.

Public Utilities Commission of Ohio Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-349-EL-AAM, and 11-350-EL-AAM: In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form on an Electric Security Plan and In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Approval of Certain Accounting Authority.

Virginia State Corporation Commission Case No. PUE-2011-00037: In the Matter of Appalachian Power Company for a 2011 Biennial Review of the Rates, Terms, and Conditions for the Provision of Generation, Distribution, and Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia.

Illinois Commerce Commission Docket No. 11-0279 and 11-0282 (cons.): Ameren Illinois Company Proposed General Increase in Electric Delivery Service and Ameren Illinois Company Proposed General Increase in Gas Delivery Service.

Virginia State Corporation Commission Case No. PUE-2011-00045: Application of Virginia Electric and Power Company to Revise its Fuel Factor Pursuant to § 56-249.6 of the Code of Virginia.

Utah Public Service Commission Docket No. 10-035-124: In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations.

Maryland Public Utilities Commission Case No. 9249: In the Matter of the Application of Delmarva Power & Light for an Increase in its Retail Rates for the Distribution of Electric Energy.

Minnesota Public Utilities Commission Docket No. E002/GR-10-971: In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in Minnesota.

Michigan Public Service Commission Case No. U-16472: In the Matter of the Detroit Edison Company for Authority to Increase its Rates, Amend its Rate Schedules and Rules Governing the Distribution and Supply of Electric Energy, and for Miscellaneous Accounting Authority.

Regarding Missouri Senate Bills 50, 321, 359, and 406: Testimony Before the Missouri Senate Veterans' Affairs, Emerging Issues, Pensions, and Urban Affairs Committee, March 9, 2011.

2010

Public Utilities Commission of Ohio Docket No. 10-2586-EL-SSO: In the Matter of the Application of Duke Energy Ohio for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications, and Tariffs for Generation Service.

Colorado Public Utilities Commission Docket No. 10A-554EG: In the Matter of the Application of Public Service Company of Colorado for Approval of a Number of Strategic Issues Relating to its DSM Plan, Including Long-Term Electric Energy Savings Goals, and Incentives.

Public Service Commission of West Virginia Case No. 10-0699-E-42T: Appalachian Power Company and Wheeling Power Company Rule 42T Application to Increase Electric Rates.

Wal-Mart Stores East, LP and Sam's East, Inc.
Exhibit SWC-1
South Carolina Docket 2011-271-E

Oklahoma Corporation Commission Cause No. PUD 201000050: Application of Public Service Company of Oklahoma, an Oklahoma Corporation, for an Adjustment in its Rates and Charges and Terms and Conditions of Service for Electric Service in the State of Oklahoma.

Georgia Public Service Commission Docket No. 31958-U: In Re: Georgia Power Company's 2010 Rate Case.

Washington Utilities and Transportation Commission Docket No. 100749: 2010 Pacific Power & Light Company General Rate Case.

Colorado Public Utilities Commission Docket No. 10M-254E: In the Matter of Commission Consideration of Black Hills Energy's Plan in Compliance with House Bill 10-1365, "Clean Air-Clean Jobs Act."

Colorado Public Utilities Commission Docket No. 10M-245E: In the Matter of Commission Consideration of Public Service Company of Colorado Plan in Compliance with House Bill 10-1365, "Clean Air-Clean Jobs Act."

Public Service Commission of Utah Docket No. 09-035-15 *Phase II*: In the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism.

Public Utility Commission of Oregon Docket No. UE 217: In the Matter of PACIFICORP, dba PACIFIC POWER Request for a General Rate Revision.

Mississippi Public Service Commission Docket No. 2010-AD-57: In Re: Proposal of the Mississippi Public Service Commission to Possibly Amend Certain Rules of Practice and Procedure.

Indiana Utility Regulatory Commission Cause No. 43374: Verified Petition of Duke Energy Indiana, Inc. Requesting the Indiana Utility Regulatory Commission to Approve an Alternative Regulatory Plan Pursuant to Ind. Code § 8-1-2.5-1, *ET SEQ.*, for the Offering of Energy Efficiency Conservation, Demand Response, and Demand-Side Management Programs and Associated Rate Treatment Including Incentives Pursuant to a Revised Standard Contract Rider No. 66 in Accordance with Ind. Code §§ 8-1-2.5-1 *ET SEQ.* and 8-1-2-42 (a); Authority to Defer Program Costs Associated with its Energy Efficiency Portfolio of Programs; Authority to Implement New and Enhanced Energy Efficiency Programs, Including the Powershare® Program in its Energy Efficiency Portfolio of Programs; and Approval of a Modification of the Fuel Adjustment Clause Earnings and Expense Tests.

Public Utility Commission of Texas Docket No. 37744: Application of Entergy Texas, Inc. for Authority to Change Rates and to Reconcile Fuel Costs.

South Carolina Public Service Commission Docket No. 2009-489-E: Application of South Carolina Electric & Gas Company for Adjustments and Increases in Electric Rate Schedules and Tariffs.

Kentucky Public Service Commission Case No. 2009-00459: In the Matter of General Adjustments in Electric Rates of Kentucky Power Company.

Virginia State Corporation Commission Case No. PUE-2009-00125: For acquisition of natural gas facilities Pursuant to § 56-265.4:5 B of the Virginia Code.

Wal-Mart Stores East, LP and Sam's East, Inc.
Exhibit SWC-1
South Carolina Docket 2011-271-E

Arkansas Public Service Commission Docket No. 10-010-U: In the Matter of a Notice of Inquiry Into Energy Efficiency.

Connecticut Department of Public Utility Control Docket No. 09-12-05: Application of the Connecticut Light and Power Company to Amend its Rate Schedules.

Arkansas Public Service Commission Docket No. 09-084-U: In the Matter of the Application of Entergy Arkansas, Inc. For Approval of Changes in Rates for Retail Electric Service.

Missouri Public Service Commission Docket No. ER-2010-0036: In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area.

Public Service Commission of Delaware Docket No. 09-414: In the Matter of the Application of Delmarva Power & Light Company for an Increase in Electric Base Rates and Miscellaneous Tariff Charges.

2009

Virginia State Corporation Commission Case No. PUE-2009-00030: In the Matter of Appalachian Power Company for a Statutory Review of the Rates, Terms, and Conditions for the Provision of Generation, Distribution, and Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia.

Public Service Commission of Utah Docket No. 09-035-15 *Phase I*: In the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism.

Public Service Commission of Utah Docket No. 09-035-23: In the Matter of the Application of Rocky Mountain Power for Authority To Increase its Retail Electric Utility Service Rates in Utah and for Approval of Its Proposed Electric Service Schedules and Electric Service Regulations.

Colorado Public Utilities Commission Docket No. 09AL-299E: Re: The Tariff Sheets Filed by Public Service Company of Colorado with Advice Letter No. 1535 – Electric.

Arkansas Public Service Commission Docket No. 09-008-U: In the Matter of the Application of Southwestern Electric Power Company for Approval of a General Change in Rates and Tariffs.

Oklahoma Corporation Commission Docket No. PUD 200800398: In the Matter of the Application of Oklahoma Gas and Electric Company for an Order of the Commission Authorizing Applicant to Modify its Rates, Charges, and Tariffs for Retail Electric Service in Oklahoma.

Public Utilities Commission of Nevada Docket No. 08-12002: In the Matter of the Application by Nevada Power Company d/b/a NV Energy, filed pursuant to NRS §704.110(3) and NRS §704.110(4) for authority to increase its annual revenue requirement for general rates charged to all classes of customers, begin to recover the costs of acquiring the Bighorn Power Plant, constructing the Clark Peak, Environmental Retrofits and other generating, transmission and distribution plant additions, to reflect changes in cost of service and for relief properly related thereto.

New Mexico Public Regulation Commission Case No. 08-00024-UT: In the Matter of a Rulemaking to Revise NMPRC Rule 17.7.2 NMAC to Implement the Efficient Use of Energy Act.

Indiana Utility Regulatory Commission Cause No. 43580: Investigation by the Indiana Utility Regulatory Commission, of Smart Grid Investments and Smart Grid Information Issues Contained

Wal-Mart Stores East, LP and Sam's East, Inc.
Exhibit SWC-1
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in 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. § 2621(d)), as Amended by the Energy Independence and Security Act of 2007.

Louisiana Public Service Commission Docket No. U-30192 *Phase II (February 2009)*: Ex Parte, Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

South Carolina Public Service Commission Docket No. 2008-251-E: In the Matter of Progress Energy Carolinas, Inc.'s Application For the Establishment of Procedures to Encourage Investment in Energy Efficient Technologies; Energy Conservation Programs; And Incentives and Cost Recovery for Such Programs.

2008

Colorado Public Utilities Commission Docket No. 08A-366EG: In the Matter of the Application of Public Service Company of Colorado for approval of its electric and natural gas demand-side management (DSM) plan for calendar years 2009 and 2010 and to change its electric and gas DSM cost adjustment rates effective January 1, 2009, and for related waivers and authorizations.

Public Service Commission of Utah Docket No. 07-035-93: In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations, Consisting of a General Rate Increase of Approximately \$161.2 Million Per Year, and for Approval of a New Large Load Surcharge.

Indiana Utility Regulatory Commission Cause No. 43374: Petition of Duke Energy Indiana, Inc. Requesting the Indiana Utility Regulatory Commission Approve an Alternative Regulatory Plan for the Offering of Energy Efficiency, Conservation, Demand Response, and Demand-Side Management.

Public Utilities Commission of Nevada Docket No. 07-12001: In the Matter of the Application of Sierra Pacific Power Company for authority to increase its general rates charged to all classes of electric customers to reflect an increase in annual revenue requirement and for relief properly related thereto.

Louisiana Public Service Commission Docket No. U-30192 *Phase II*: Ex Parte, Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

Colorado Public Utilities Commission Docket No. 07A-420E: In the Matter of the Application of Public Service Company of Colorado For Authority to Implement and Enhanced Demand Side Management Cost Adjustment Mechanism to Include Current Cost Recovery and Incentives.

2007

Louisiana Public Service Commission Docket No. U-30192: Ex Parte, Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

Public Utility Commission of Oregon Docket No. UG 173: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON Staff Request to Open an Investigation into the Earnings of Cascade Natural Gas.

2006

Public Utility Commission of Oregon Docket No. UE 180/UE 181/UE 184: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY Request for a General Rate Revision.

Public Utility Commission of Oregon Docket No. UE 179: In the Matter of PACIFICORP, dba PACIFIC POWER AND LIGHT COMPANY Request for a general rate increase in the company's Oregon annual revenues.

Public Utility Commission of Oregon Docket No. UM 1129 *Phase II*: Investigation Related to Electric Utility Purchases From Qualifying Facilities.

2005

Public Utility Commission of Oregon Docket No. UM 1129 *Phase I Compliance*: Investigation Related to Electric Utility Purchases From Qualifying Facilities.

Public Utility Commission of Oregon Docket No. UX 29: In the Matter of QWEST CORPORATION Petition to Exempt from Regulation Qwest's Switched Business Services.

2004

Public Utility Commission of Oregon Docket No. UM 1129 *Phase I*: Investigation Related to Electric Utility Purchases From Qualifying Facilities.

ENERGY INDUSTRY PUBLICATIONS AND PRESENTATIONS

Panelist, Customer Panel, Virginia State Bar 29th National Regulatory Conference, Williamsburg, Virginia, May 19, 2011.

Chriss, S. (2006). "Regulatory Incentives and Natural Gas Purchasing – Lessons from the Oregon Natural Gas Procurement Study." Presented at the 19th Annual Western Conference, Center for Research in Regulated Industries Advanced Workshop in Regulation and Competition, Monterey, California, June 29, 2006.

Chriss, S. (2005). "Public Utility Commission of Oregon Natural Gas Procurement Study." Public Utility Commission of Oregon, Salem, OR. Report published in June, 2005. Presented to the Public Utility Commission of Oregon at a special public meeting on August 1, 2005.

Chriss, S. and M. Radler (2003). "Report from Houston: Conference on Energy Deregulation and Restructuring." USAEE Dialogue, Vol. 11, No. 1, March, 2003.

Chriss, S., M. Dwyer, and B. Pulliam (2002). "Impacts of Lifting the Ban on ANS Exports on West Coast Crude Oil Prices: A Reconsideration of the Evidence." Presented at the 22nd USAEE/IAEE North American Conference, Vancouver, BC, Canada, October 6-8, 2002.

Contributed to chapter on power marketing: "Power System Operations and Electricity Markets," Fred I. Denny and David E. Dismukes, authors. Published by CRC Press, June 2002.

Contributed to "Moving to the Front Lines: The Economic Impact of the Independent Power Plant Development in Louisiana," David E. Dismukes, author. Published by the Louisiana State University Center for Energy Studies, October 2001.

Dismukes, D.E., D.V. Mesyanzhinov, E.A. Downer, S. Chriss, and J.M. Burke (2001). "Alaska Natural Gas In-State Demand Study." Anchorage: Alaska Department of Natural Resources.

(1)	(\$000)	Operating Income Before Increase	\$ 220,832
(2)	(\$000)	Operating Income After Increase	\$ 353,316
(3)	(\$000)	(3) - (2) Additional Operating Income	\$ 132,484
(4)	(%)	(2) / (1) - 1 Additional Operating Income	60.0%

Source: Shrum Exhibit 1, page 1

Rate Base Additions

Cliffside Unit 5 Scrubber	\$	134,000,000
Buck Combined Cycle Plant	\$	166,000,000
Tornado/High Energy Line Break	\$	32,000,000
Bridgewater Powerhouse Replacement	\$	43,000,000
General Maintenance and Nuclear Fuel	\$	223,000,000
Transmission and Distribution	\$	214,000,000
General Plant Additions	\$	54,000,000
Total	\$	866,000,000

Construction Work in Progress

Cliffside Unit 6	\$	138,000,000
Phase II Oconee HELB	\$	127,000,000
Dan River Combined Cycle	\$	98,000,000
Other Nuclear, Fossil, Hydro, and Combustion Turbine Projects	\$	90,000,000
Transmission, Distribution, and other General Projects	\$	57,000,000
Total	\$	510,000,000

Source: Direct Testimony of Catherin E. Heigel, page 11, line 12 to line 24